CONGRESSMAN MICHAEL McCAUL (R-TX)
OPENING STATEMENT FOR INNOVATION MARK-UP
June 7, 2006

Thank you Mr. Chairman,

As you know, many of the technologies which enabled E - commerce to become a reality in the 1990s are based on research initially conducted at universities like the University of Texas, which is in my hometown of Austin. Many of those programs were funded by federal agencies, such as the National Science Foundation and DARPA. United States investments in research and development during the past 50 years provided these breakthroughs which transformed American society and helped the U.S. to build the world's dominant economy.

When you use a web browser, send an email or even use the internet, you can thank those thinkers and innovators at American universities who have helped develop these great technologies that made our world smaller.
Today, the technology developed in university labs translates into multi billion dollar industries.

For instance, in 2005, companies in my home state of Texas exported $31 billion in computers and electronic products - and that is just Texas.

So you can see why it's so important to nurture the minds and the innovators who are working on the most cutting edge ideas, and those who are preparing to be America's next high-tech workforce – the bills which our committee is marking up today intend to do just that.

I am pleased to introduce today a substitute that improves on this important legislation. This amendment is the product of May's hearings, including a field hearing chaired by Congressman Lamar Smith in Austin, Texas at the IT World Congress.

I would like to thank my colleagues on both sides of the aisle for their support and comments, especially Chairman Boehlert, Ranking Member Gordon, Ms. Jackson-Lee for helping us to include language on diversity, and Mr. Honda and all their hardworking staff - especially Elizabeth Grossman of the majority staff. The substitute, which combines the two original bills into one, the Research for Competitiveness Act, carries forward the language on providing grants for scientists and engineers in the early stage of their academic careers to establish innovative lines of research. In this capacity, we are investing in minds and hoping to create America's next high-tech work force.

It also recognizes the economic potential of scientific research by supporting scientists who conduct high-risk, high-return research, by creating a grant program that includes investments from both the federal government and from private industry. This partnership will provide much needed synergy between some of the greatest minds at our universities and the private sector to create incentives in areas with the most potential for significant technical advancement.

This substitute also emphasizes the importance of basic research, which forms the building blocks for the most important scientific discoveries. To aid that research, the

substitute also provides specific authorizations and guidance for the Major Research Instrumentation program at NSF, which helps universities acquire the shared scientific equipment that is essential to scientists working in fields from nanotechnology to astronomy. The amendment also authorizes an NSF program to foster research at the boundary between the physical and biological sciences, recognizing the need to support scientists working in the exciting areas at the intersections between traditional disciplines. Finally, this amendment will add language recognizing the NASA workforce's contribution to innovation through the NASA science programs.

America's competitors in the global IT marketplace are pouring billions into their science and technology infrastructure, rapidly building their innovation capacity and dramatically increasing their ability to compete with U.S. companies on the world stage.

As our foreign competitors increase their investment in innovation, we too must do the same. That investment does not just mean dollars and cents, it also means building and maintaining a strong and well educated high tech work force.

Improving math and science education for our kids and providing incentives for our college students to pursue degrees and careers in a technical field are equally important to any financial investment America could make in its quest for technological innovation.
In closing, we have a great opportunity here today to help drive American innovation and to build upon our high-tech workforce, and I urge my colleagues on the Science Committee to vote YES on the Substitute Amendment, and report the bill for floor consideration.
Thank you